

Bank of North Dakota Receives Royalties on Technology

BISMARCK – The Bank of North Dakota (BND) has earned \$650,000 in royalties for use of its proprietary software used to guarantee student loans. The Priority Guaranty System (PGS) software owned by BND was jointly developed by the bank and Priority Technologies, Inc. (PTI) of Omaha, NE.

“This technology was developed as part of a comprehensive e-commerce project to serve student loan customers, and illustrates how BND is a leader in the student loan industry,” said Gov. John Hoeven. “It enables students, colleges and lenders to access financial aid information in real time and allows guarantee agencies to immediately guarantee loans for students.”

“PGS technology also provides the essential security necessary for guarantors to obtain customer loan information over the Internet,” said Attorney General Wayne Stenehjem.

Agriculture Commissioner Roger Johnson said the Industrial Commission has long recognized the importance of a Web-based product to remain competitive in the student loan industry. “This student loan guarantor product provides quality customer service in real-time format to meet the needs of students and customers,” Johnson said.

“The hours and teamwork involved with this project by BND and PTI employees has been tremendous,” said Eric Hardmeyer, BND president. “The bank will see a return on this investment in improved customer service and in dollars and cents from royalties as other student loan companies purchase rights to this program.”

The only state-owned bank in the nation, BND is overseen by the Industrial Commission of North Dakota, consisting of Gov. John Hoeven as chairman, Agriculture Commissioner Roger Johnson and Attorney General Wayne Stenehjem. BND made the nation’s first federally insured student loan in 1967.